

HOUSE BILL NO. 46

INTRODUCED BY R. DALE

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE LIMIT FOR CONSTRUCTION CONTRACTS WITHOUT FORMAL COMPETITIVE BIDS FOR STATE-OWNED WATER PROJECTS TO ~~\$75,000~~ \$50,000; EXEMPTING THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FROM SPECIFIC SOLICITATION AND SELECTION PROCEDURES FOR CONTRACTS UP TO \$15,000 FOR GOODS, NONCONSTRUCTION SERVICES, OR PROFESSIONAL SERVICES RELATED TO STATE-OWNED WATER PROJECTS; AMENDING SECTION 85-1-219, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 85-1-219, MCA, is amended to read:

"85-1-219. State-owned works -- department approval -- bids -- procurement of goods and services. (1) For all state-owned works constructed, repaired, altered, improved, maintained, rehabilitated, or reconstructed, the department shall:

(a) review and approve all plans and working drawings prepared by engineers or architects, if any;

(b) approve all bond issues or other financial arrangements and supervise and approve the expenditure of all money;

(c) solicit, accept, and reject bids and award all contracts to the lowest qualified bidder, considering conformity with specifications and terms and reasonableness of bid amount;

(d) review and approve all change orders;

(e) accept the works when completed according to approved plans and specifications.

(2) Except as provided in subsection (3), the department ~~must~~ shall solicit sealed, competitive bids before awarding a contract under subsection (1) and may award a contract only after receipt of at least one bid, if reasonably available.

(3) The department may negotiate a contract, without competitive bidding, with a contractor qualified to do business in Montana if:

(a) the department rejects all bids for the work;

(b) an emergency threatening life or property exists;

(c) the proposed construction costs are ~~less than \$25,000; or \$75,000 or less, provided that the~~
~~department procures at least three informal bids from contractors registered in Montana, if reasonably~~
~~available;~~ \$50,000 OR LESS;

(d) an exigency exists; or

(e) the cost of goods, nonconstruction services, or professional services is \$15,000 or less.

(4) ~~The (a)~~ Except as provided in subsection (4)(b), the provisions of Title 18, chapter 2, parts
2 through 4, apply to contracts awarded for construction under this section.

(b) The provisions of Title 18, chapter 2, parts 2 and 3, do not apply to contracts for which the
proposed construction costs are ~~less than \$25,000~~ \$75,000 ~~\$50,000 or less.~~

(c) The requirements of Title 18, chapter 4, do not apply to contracts for which the cost of goods
or nonconstruction services is \$15,000 or less.

(d) ~~The provisions of Title 18, chapter 8, part 2, do not apply to contracts~~ DEPARTMENT MAY
CONTRACT for professional services ~~that do~~ BY DIRECT NEGOTIATION WHEN THE COST OF PROFESSIONAL SERVICES
COVERED BY THE CONTRACT DOES not exceed \$15,000. THE DEPARTMENT MAY NOT SEPARATE SERVICE CONTRACTS
OR SPLIT OR BREAK PROJECTS FOR THE PURPOSE OF CIRCUMVENTING THE PROVISIONS OF TITLE 18, CHAPTER 8, PART 2."

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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